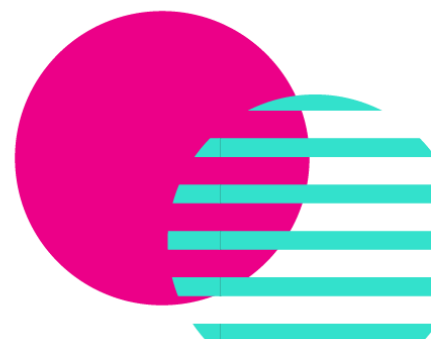




NOCN Group Conflicts of Interest Policy and Procedure

19th June 2023 (V3.2)



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1. Scope

- 1.01 In the context of this document NOCN Group refers to the UK based entities only, and therefore covers NOCN and all UK based subsidiaries. NOCN Group will be referred to as 'the Group' throughout the remainder of this document.
- 1.02 This policy and procedure outline's the Group's approach to preventing, identifying and managing Conflicts of Interest. A Conflict of Interest exists when an organisation or an individual has competing interests which might impair its or their ability to make an objective or unbiased decision.
- 1.03 The Group has an obligation and regulatory responsibility to consider, identify and manage Conflicts of Interest which relate to its operation and prevent the occurrence of an Adverse Effect. All individuals involved in completing or contributing to an activity on behalf of the Group, including Trustees, staff, contractors and centres, have an obligation to act in the best interests of The Group and to adhere to its governance documents.
- 1.04 This policy applies to all Trustees, employees and any person acting on behalf of the Group, or contributing to a Group product or service, including through a third party, such as an NOCN Group Centre or Delivery Partner, both in the UK and internationally.
- 1.05 The intended audience for this document is:
- a) The Group Directors, Board of Trustees and Committee Members.
 - b) Subsidiary Trustees and Committee Members
 - c) The Group core, sub-contracted and associate employees, including External Quality Assurers (EQAs) and End Point Assessors.
 - d) All Directors, Trustees, Committee Members and employees, of the Group's Delivery Partners and subsidiaries associated with the Group provision.
 - e) Any individual acting on behalf of the Group or contributing to a Group product or service, such as an examination marker or sector consultant.
 - f) All learners or apprentices registered against a Group product or service.
 - g) Qualification and End Point Assessment Regulators¹.
 - h) Industry and other Educational Regulators².

2. Purpose

- 2.01 The purpose of this document is to:
- a) Define and provide examples of Conflicts of Interest in the context of the Group services.
 - b) Outline the Group responsibilities regarding the monitoring and management of Conflict of Interest to prevent the occurrence of an Adverse Effect.
 - c) Outline the individual responsibilities regarding the reporting of a Conflict of Interest.
 - d) Outline the process of how the Group will respond to a perceived Conflict of Interest.
 - e) Ensure that the Group meets the requirements of the Companies Acts, Charities Acts and the Qualification Regulators' Conditions of Recognition.
 - f) Minimise risks to the integrity of the Group products and to protect the interests of all learners and apprentices.

¹ Ofqual in England; Qualification Wales; CCEA Regulation in Northern Ireland or successor bodies.

² Other bodies which regulate non-qualification provision that is applicable to the Group.

2.02 This policy and procedure will be provided to the Qualification and Industry Regulators upon request to satisfy them of the Group's ability to comply with their requirements regarding Conflicts of Interest.

3. Responsibility and Reporting Structure

3.01 The Board of Trustees have ultimate responsibility for overseeing all risk management for the Group including those associated with Conflicts of Interest. The Board delegates the operational responsibility to the Group Chief Executive who will report to the Board any significant Conflicts of Interest.

3.02 Dependent on an individual's relationship/position with the Group will depend on who has responsibility for the identification and management of the individual's declaration of interests. Full details of the Group's reporting procedures, including responsibilities for each function, can be found in Appendix 1.

3.03 Individuals, including those who contribute to or deliver a service on behalf of NOCN, have a responsibility to ensure that their declaration of interest is current and that any changes are reported to the appropriate persons as soon as possible. If an individual is aware of any major changes e.g. where the individual or the organisation they work for becomes engaged in a legal dispute with NOCN Group, then NOCN Group should be notified immediately.

3.04 Any organisation delivering the Group's services, such as a NOCN Centre, holds the responsibility to declare any perceived or actual Conflicts of Interest to the Group, as well as ensuring that they have their own internal Conflicts of Interest Policy and Procedure to outline how they will identify, monitor and report potential conflicts to the Group in relation to the Group's provision.

4. Definitions

4.01 *Declaration of Interests*: The initial informing of any interest, both those which may constitute a conflict and those which may not, to the Group.

4.02 *Potential Conflict*: A declared interest which may be deemed by the individual or by the Group to be a potential Conflict of Interest.

4.03 *Perceived Conflict*: There may not be an actual Conflict of Interest but where an informed and reasonable observer could conclude that a Conflict of Interest exists or where there is an outward appearance or perception of a Conflict of Interest.

4.04 *Conflict of Interest*: A declared interest which is confirmed as a conflict in line with this policy and regulatory guidance. All Conflicts of Interest require a level of mitigation to ensure that individuals are able to perform their activities in a way in which complies with the Group's regulatory responsibilities. The level of mitigation will depend on the level of risk associated with the interest.

4.05 *Adverse Effect*: An act, omission, event, incident, or circumstance has an Adverse Effect if it:

a) Gives rise to prejudice to actual or potential learners/apprentices, or

b) Adversely affects:

(i) the ability of the Group to undertake the development, delivery or award of its products in a way that complies with the General Conditions of Recognition or other regulatory requirements,

- (ii) the standards of products which the Group makes available or proposes to make available, or
- (iii) public confidence in the Group's products.

5. Types of Conflicts of Interest

- 5.01 A Conflict of Interest may arise where an individual's commercial, personal or family interests and/or loyalties conflict with those of the Group, a Group representative, a Group employee, a Group approved Centre, or a learner/apprentice registered against one of the Group's products or services. This includes any interest which conflicts with the Group's charitable aims and mission.
- 5.02 A Conflict of Interest can be actual or perceived, in addition to any scenario in which it is reasonably foreseeable that such a conflict could arise in the future. If conflicts are not avoided, reported or managed appropriately, they may:
- a) Inhibit free discussion.
 - b) Result in a decision or action that is not in the best interests of the Group, its approved centres, its apprentices or learners and employers.
 - c) Risk the impression that the Group has acted improperly.
 - d) Cause the Group to risk its compliance status with the Qualification and Assessment Regulators Conditions of Recognition and to its obligations of the Companies and Charities Acts.
- 5.03 Regarding the Group's role as an Awarding and End Point Assessment Organisation, a Conflict of Interest exists where an informed and reasonable observer would conclude that one or more of the below situations was the case, or was perceived to be the case:
- a) The interest in an activity undertaken by the Group, or on its behalf, has the potential to lead the Group to act contrary to its interests in complying with the Regulator's Conditions during the development, delivery and award of the Group's products.
 - b) An individual who is connected to the development, delivery or award of the Group's products has interests in another activity which has the potential to lead that individual to act contrary to their interests in complying with the Regulator's Conditions during the development, delivery or award of the Groups products.
 - c) An individual involved in the design or assessment of an examination or assessment instrument has interests in another activity which has the potential to lead that person to act contrary to their interests in complying with the Regulator's Conditions.

I. Personal Interest

- 5.04 A personal interest is a type of Conflict of Interest that relates to a particular individual and can be both financial and non-financial in nature. An individual has a personal interest where an informed or reasonable person would conclude that the individual may have a good reason or an incentive to make anything other than a good faith decision, while carrying out a task for the Group. For example, if an individual carrying out an investigation into suspected malpractice on behalf of the Group is related to a learner or employee being investigated.
- 5.05 The Group prohibits individuals being involved in, or carrying out, activities on behalf of the Group where individuals may have, or are seen to have, a personal interest in the outcome of that activity, wherever this is possible.
- 5.06 In line with its Regulatory responsibilities, the Group will take all reasonable steps to ensure that personal interests are avoided through the Conflict of Interest reporting procedure. In rare

circumstances where personal interests cannot be avoided, the Group will ensure that the decision or outcome made by an individual with a personal interest is scrutinised by a second party who is not seen to have such interest.

6. Illustrations of Potential Conflicts of Interest

6.01 It is important that all individuals, whether a Trustee, an employee or a contractor, have a sound understanding of what interests may be defined as a Conflict by the Group. Conflicts of Interest can arise in a variety of circumstances in relation to the Group's business activity. This includes, but is not limited to, where:

- a) An individual has a position of authority in a part of the Group, which conflicts with their interests in another part of the Group or in another organisation.
- b) An individual has personal interests or relationships that conflict with their professional position.
- c) An individual works for or carries out work on the Group's behalf, but who may have personal interests, paid or unpaid, in another business which either uses the Group's products or services, or produces similar products to those of the Group.
- d) An individual takes on additional paid work (on either an employed or self-employed basis) or voluntary work outside the Group, which conflicts with the work of the Group.
- e) An individual receives payment for some work they do for the Group outside of the relevant clauses of the Group's Memorandum and Articles of Association.

6.02 Specifically in relation to the Group's Awarding and End Point Assessment Organisation function, the following Conflicts of Interest could also arise:

- a) Where an individual works for or carries out work on the Group's behalf, who has friends or relatives taking one of the Group's assessments and/or qualifications.
- b) When one part of the Group creates and follows a procedure that conflicts with the Group's regulatory responsibilities.

6.03 It should be noted that the benefit derived by Trustees, employee and agents should not be different to that received by any other person. A conflict would arise where this is not or is not seen to be the case. The Declaration of Interest Form must be used to record all gifts of a value over £100 received by Trustees, employees and contractors. Interests and gifts will be formally recorded on the Group systems and will be maintained by the Company Secretariat.

6.04 It is important to note that the above are for illustrative purposes only and that if an individual is unsure if they should declare a potential Conflict of Interest, they should declare it anyway. Individuals should liaise with their line manager, their Function Head/Director or the Group Responsible Officer, if they require further guidance.

7. Identifying Conflicts of Interest

7.01 The Group has multiple reporting procedures in place to ensure that the Group is able to identify and monitor all Conflicts of Interest which relate to it at any one point. This includes ensuring all Conflicts are identified upon initial contracting/recruitment with the Group, an annual reporting procedure for all individuals and ad-hoc reporting when individual and the Group circumstances change.

I. Group Declaration of Interest Form

7.02 The NOCN Group Declaration of Interest Form is completed electronically through use of the following link: <https://forms.office.com/e/k45i1m4upZ>

II. Initial Engagement or Contracting

7.03 All Trustees, staff and any other individual involved in, or contributing to a Group product or service are required to sign up to this policy and procedure. As a contractual requirement, individuals must:

- a) Declare their relevant interests, as they know them at the time, by including them on the Group Declaration of Interest Form. The form lists the types of interests that must be declared.
- b) Commit to report all Conflicts of Interest, actual or perceived, that arise while working with the Group, or on its behalf, at the earliest opportunity it is identified or known to enable the Group to effectively manage the conflict.

7.04 The Group will ensure that all contractual arrangements with individuals involved in the design, delivery and award of its products/services clearly sets out their obligations and responsibilities regarding Conflicts of Interest.

7.05 As a pre-employment requirement, all new potential employees (including employees who transfer into the Group under TUPE) will be required to read and confirm acceptance of this policy and procedure as well as complete the Group Declaration of Interest Form before commencing their employment with the Group.

7.06 Contracted individuals are required to read and confirm acceptance of this policy and procedure as well as complete the Group Declaration of Interest Form during the contracting process. The completed forms should be returned to the department which is managing that individual's contract.

7.07 Any organisation delivering a product on behalf of the Group, such as a NOCN Centre, are required to declare any potential or actual Conflicts of Interest during the initial approval/contracting stage. At this stage, confirmation must also be received by the Group that the organisation has their own Conflicts of Interest Policy and Procedure that allows it to comply with this policy and procedure on an ongoing basis.

III. Annual Reporting (Employees and Contractors Only)

7.08 To ensure effectiveness and currency of Conflicts that affect the Group, the Declaration of Interest Form must be updated by all employees, contractors, and individuals associated with the Group on an annual basis, or when any changes occur to an individual's personal or professional circumstances. The annual reporting process begins in August and expires the following July.

7.09 Where contracted individuals fail to complete and return an updated Declaration of Interest Form when requested to do so by the Group, the status of that relationship between the Group and that individual will be reviewed.

7.10 The Group Head of People and Culture will liaise with the appropriate Head of Departments in July of each year to ensure that this policy and procedure, alongside the Group Declaration of Interest Form, is sent to all applicable individuals for review and completion.

- 7.11 Each Head of/Manager may delegate responsibility to a member of their team but retains full responsibility for complying with the policy and regulatory guidance.
- 7.12 The Group Declaration of Interest Form must be completed and returned by individuals within **10 working days** of receipt of the annual review being undertaken. All completed forms must be returned to the appropriate member of staff as nominated by the functions Head of/ Manager.
- 7.13 Once received by the Group, the appropriate department will log receipt of the form on internal systems and confirm a 100% return or identify any non-compliance. Each Declaration of Interest will be reviewed to determine any potential conflict in line with regulatory requirements. Staff will be trained and provided with guidance to support this function.
- 7.14 All conflicts must be logged including all mitigation/controls that need to be put in place to reduce the risk. This will be ratified by each Function Head/Director and reported to the Senior Leadership Team and Board of Trustees via the Quality Assurance Committee.
- 7.15 Any conflicts which have been deemed as high risk will be further reviewed by the Group Directorate to review levels of organisational risk. The levels of control may be reviewed or amended based on the Directorate's review.

IV. Ad-hoc Reporting

- 7.16 The Group, as part of the development of any business proposal, will consider as part of the planning process any potential or actual Conflict of Interest in completing that business proposal. The business proposal lead will report all actual or potential conflicts to the Senior Leadership Team and/or the Board of Trustees in line with this policy and procedure. This will include the mitigations or controls that are to put in place to resolve the conflict and to avoid the occurrence of an Adverse Effect. Any subsequent mitigations will be reviewed for the adequacy and appropriateness of the resources and controls.
- 7.17 In addition to the annual reporting procedure, individuals must also report any Conflicts of Interest that arise at any point during their employment or involvement in activities for the Group.
- 7.18 Individuals must inform the appropriate Head/Manager as soon as possible after the conflict is identified. The conflict will be recorded and managed in the same way as the annual reporting of conflicts.
- 7.19 If the individual fails to inform the appropriate Function Head/Manager then the status of that relationship between the Group and that individual will be reviewed.
- 7.20 Any organisation delivering a Group product, such as a NOCN Centre, must report any Conflict of Interest which may relate to NOCN provision as soon as it is identified. The report must be made to the most appropriate Group department. Any Conflict of Interest must be formally logged in line with the organisation's own Conflict of Interest policy and procedure. Upon receipt, the Group will inform the organisation of any action which needs to be taken to avoid or mitigate the Conflict.
- 7.21 Any individual performing assessment or quality assurance of learner or apprentice work must declare any Conflict with the learner or apprentice's employer, training provider, Centre or the learner apprentice themselves prior to carrying out any assessment or quality assurance and report this to their Group contact.

8. Managing Conflicts of Interest

- 8.01 Should a Conflict of Interest arise, the responsibility for managing the risks associated with the conflict will lie with the Function Heads/Directors who will take all reasonable steps to ensure that the conflict does not create, or pose the risk of, an Adverse Effect. Where there is a risk of the occurrence of an Adverse Effect, this will be escalated to the Group Chief Executive, who will ensure that the Group takes all reasonable steps to mitigate the risk of its occurrence in line with the Group's risk management policy.
- 8.02 Where a conflict has created an Adverse Effect, the Group will promptly notify the Qualification Regulators, in line with its Regulatory responsibilities. The Group will liaise with the relevant Qualification Regulators to provide information on how NOCN has minimised the impact of the Adverse Effect, including how it has reviewed its working practices to prevent a reoccurrence.
- 8.03 Dependent on the relevant circumstances regarding an actual or potential Conflict of Interest, an individual may need to withdraw from the completion or contribution to any subsequent activity, discussion, decision-making, or meeting that could be affected by the Conflict of Interest. Individuals may participate in discussions from which they may indirectly benefit, for example where the benefits are universal to all users, or where their benefit is minimal.
- 8.04 The Group has specific guidance and controls in place dependent on how an individual is involved in, or connected to, a Group product or service. Each category, alongside the specific guidance and controls, are detailed below.

I. Chair/Trustee or Board Observer

- 8.05 If an individual acts as Trustee of the Group, then the relevant 'Articles of Association' clearly sets out the action that should be taken. If a Trustee fails to declare an interest that is known to the Company Secretariat and/or the Chair of the Board, then the Chair will declare that interest and the action to be taken.
- 8.06 If an individual acts as a Trustee or Observer on behalf of CITB, rule 15 of the Company Rules, will specifically apply. Conflicts of interest will be declared in writing on no less than an annual basis, with any new declarations made at each meeting attended.
- 8.07 In the event of the Board having to decide upon a question in which a Trustee, including the Chair, has an interest, all decisions will be made by vote, as set out in the Articles of Association. A quorum must be present for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate.
- 8.08 As set out in the Articles of Association, interested Board members may not vote on matters affecting their own interests and should withdraw from the meeting for the agenda item that could be affected by the Conflict of Interest. In the circumstances where it is the Chair who has a Conflict of Interest, the Chair will leave the meeting and the Vice-Chair will manage the meeting for the item(s) affected. If the Vice-Chair is not present at the meeting the Trustees will appoint a Chair for this part of the meeting.
- 8.09 All Board and Committee meetings will have a designated agenda item regarding Conflicts of Interest where these can be raised and reported. All decisions under which a Conflict of Interest has been declared will be recorded by the Company Secretariat and reported in the minutes of the meeting. The minutes will record:
- a) The nature and extent of the conflict.
 - b) An outline of the discussion.

c) The actions taken to manage the conflict.

- 8.10 Where a Trustee/Observer benefits, either financially, personally or commercially, from a decision, this will be reported in the annual report and accounts in accordance with the current Charities SORP. All payments or benefits in kind to Trustees/Observers will be reported in the charity's accounts and annual report, with amounts for each Trustee listed for the year in question.
- 8.11 Where a Trustee/Observer or the organisation they work for enters into a legal dispute with the Group, the Conflict of Interest must be notified immediately to the Chair or Chief Executive to ensure that the necessary mitigation is in place to avoid any adverse effects.
- 8.12 Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

II. Managing Contracts

- 8.13 If an individual has an interest, personal or other, in the managing or monitoring of a contract, then they must not be involved in any stage of the contract management or monitoring process. Monitoring arrangements for such contracts will include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

III. Development and Award of Regulated Products

- 8.14 If an individual has a Conflict of Interest regarding the development and/or award of a Group product, then that individual must not be involved in these processes, unless it has been formally agreed with the Function Head/Director that the conflict is, or can be, effectively managed.
- 8.15 Individuals must ensure that any training delivered regarding confidential assessment materials does not utilise live examination or assessment questions or papers. If an individual is involved in the development or award of an assessment, then they must declare the interest to the relevant Function Head/Director prior to being involved in the training of centres or Centre staff members regarding those assessments. The Function Head/Director will then ensure that relevant mitigation and controls are in place.
- 8.16 If an individual has a Conflict of Interest relating to the assessment of a learner (including by way of moderation or External Quality Assurance, marking or assessment) – specifically a personal interest in the result of an assessment – they must not be involved in the quality assurance or marking of that assessment. Where an assessment by the individual cannot be avoided, the Group will make arrangements for the relevant part of the assessment to be subject to scrutiny by another person who does not have such conflict.

IV. Delivery of Regulated Qualifications and Other Products

- 8.17 Where a Centre is approved to deliver a Group product, they must have their own policy and procedure regarding Conflicts of Interest which outlines how they will prevent, manage and report on perceived and actual conflicts. The appropriateness of the policy will be monitored by the Group, in conjunction with its External Quality Assurers, Moderators and anyone with responsibility for quality assurance for the Group.
- 8.18 Centres should ensure that, where a Conflict of Interest is identified, that this is reported to their quality assurance contact within the Group, whether this is the NOCN Quality Assurance Team or its assigned External Quality Assurer. The Centre must ensure that they include the

suggested controls that will be put in place to manage the conflict for review. Centres must follow direction and guidance provided by the Group regarding any adequate controls.

V. Senior Examiners

8.19 For the purposes of this policy, a 'senior examiner', refers to any person who is employed/contracted by the Group to perform one of the following roles:

- a) Chair of Examiners – the person responsible for maintaining standards across different subject specifications within a qualification from year to year.
- b) Chief Examiner – the person responsible to the chair of examiners for ensuring that assessments meet the requirements of the specification and maintain standards from one year to the next.
- c) Principal Examiner – the person/s responsible for coordinating and overseeing writer activity to produce assessment papers and associated mark schemes in accordance with the DfE Subject Content. Responsible for the standardisation of marking, assessments and for the moderation activity of assessment papers in line with NOCN's subject specific assessment strategies.

8.20 A 'senior examiner' (in any capacity as expressed above), must notify the Function Head/Director of all instances in which they have been, or are currently, involved in the preparation of a resource designed to support a learner, apprentice or any other person likely to become such, for the assessment of a qualification or apprenticeship standard related to their contractual agreement with the Group. This does not apply to the preparation of teaching resources or materials for learners and apprentices that the individual may teach.

8.21 Any information or material available to senior examiners regarding confidential assessment materials must be kept confidential at all times, including after termination of their employment or contractual arrangements with the Group.

VI. End-Point Assessment

8.22 If an individual has a Conflict of Interest relating to the End Point Assessment of an apprentice (including by way of moderation) – specifically a personal interest in the result of the assessment – they must not be involved in such assessment. The End Point Assessment process is a specific impartial activity, requiring a clear, defined judgement, independent of either a training organisation or an apprentice's employer.

8.23 If an individual has a conflict of interest which is identified during the recruitment, contracting and appointment relating to the writing, reviewing and design of an End Point Assessment, this conflict must also be recorded within the Declaration of Interest form. This may mean, for instance, removing individuals from any involvement in the assessment design process where there is a risk of conflict.

8.24 Any actual or perceived conflict of interest within the End Point Assessment can undermine both the outcome of the assessment and call into question The Group's credibility as a trusted Assessor of apprentices. The Group considering this will ensure that the enforcement of independence within the End Point Assessment process is paramount at all times.

VII. Delivery Partner or Associate

8.25 If an individual undertakes services or contract on behalf of the Group or a Delivery Partner, they must ensure that they, their employees, their own agents and sub-contractors comply with this policy and procedure and declare any Conflicts of Interest as required.

9. Data Protection

9.01 All information provided by individuals will be processed in accordance with the Data Protection Act 2018 and General Data Protection Regulations. Data will be processed only to ensure that Trustees, employees and associates act in the best interests of the Group and its learners. The information provided will not be used for any other purposes.

10. Document Control

10.01 This policy is maintained by the Quality Assurance Team and will be reviewed and updated where necessary to reflect updated legislation, customer feedback, improvements of operation and changes to the regulatory environment. If you have any queries regarding the contents or the use of this policy, please contact the Quality Assurance Team directly on assurance@nocn.org.uk.

10.02 All NOCN policies and procedures are signed off by the NOCN Responsible Officer. The latest versions of which can be found on our website here: <https://www.nocn.org.uk/support/nocn-group-policies/>.

Appendix 1 - Responsibility and Reporting Structure Regarding Conflicts of Interest

Function	Type	Team Responsibility	Role Responsible
NOCN Group	Overall Risk	Board of Trustees	Chair
	Operational Risk	Senior Leadership	Group Chief Executive
NOCN	Employees	People and Culture	Group Head of People and Culture ²
	Trustees	Governance	Group Chief Executive
	End Point Assessors / Moderators	People and Culture	Group Director (Awarding Organisation)
	External Quality Assurers	Quality Assurance	Group Director (Awarding Organisation)
	Writers and Markers/ Technical and Principal Reviewers	Product Development/ Examinations	Group Director (Awarding Organisation)
Job Cards	Employees	People and Culture	Group Head of People and Culture ²
	Trustees	Governance	Group Chief Executive